

Extension of Expiration Date for Integration Ratio

TOKYO, September 24, 2004 --- Sumitomo Mitsui Financial Group, Inc. (“SMFG”, President and CEO: Yoshifumi Nishikawa) herewith explains its policy on the integration with UFJ Holdings and UFJ Bank (“UFJ Group”), since “SMFG’s Proposal regarding Integration Ratio etc.” sent to UFJ Group on August 24, 2004, stated that “this proposal regarding the integration ratio shall remain in effect until September 24, 2004.”

SMFG also announces that it has sent out a proposal titled “SMFG’s Proposal regarding the extension of expiration date for Integration Ratio” to UFJ Group today.

1. Basic Concept of the Integration

We believe the integration between UFJ Group and SMFG Group is the best choice for both groups’ shareholders, customers, and employees, and we will continue to pursue the integration with UFJ Group. We strongly hope that UFJ Group will positively examine our proposal.

At the same time, we will implement specific steps to realize the integration with UFJ, carefully observing the situation surrounding UFJ Group, such as how the discussion on the integration, including the one on the integration ratio, will progress between UFJ Group and Mitsubishi Tokyo Financial Group, and what the views of UFJ Holdings’ shareholders will be.

2. Extension of the Expiration Date for the Integration Ratio

The original expiration date for the integration ratio was provided to meet the capital enhancement plan of UFJ Group to complete by the end of September 2004. As mentioned above, since we have no intention to change our policy to integrate with UFJ Group, we stated in today’s proposal that we would extend the expiration date of the integration ratio to the end of June 2005.

3. Integration Ratio

Regarding the integration ratio, we continue to propose “1.0 SMFG share to 1.0 UFJ Holdings share” as stated in the proposal submitted on August 24, 2004. We believe the integration ratio will lead to a considerable improvement of the shareholders value of SMFG as well as that of UFJ Holdings.

In the meantime, there were newspaper articles suggesting that “the integration ratio will change if the conversion of SMFG’s preferred stocks is considered.” The integration ratio, however, will not change due to a possible dilution, since our proposal already fully takes into account the possible effects of the preferred stock conversion. Moreover, we believe the dilution will have no impact on the premium for the shareholders of UFJ Holdings, since we believe the stock market already factored in the dilution effects due to the preferred stock conversion when valuing SMFG stock price.